MINNESOTA DEPARTMENT OF AGRICULTURE DEPARTMENT POLICY

Title: Short-Term and Daily Vehicle Use Policy #: 00-005

and Long-Term and Seasonal Vehicle Use Policy and Procedures

Authorized by: Effective Date: June 1, 2000 Revised Date: November, 2003

Objective:

To provide safe, cost-effective transportation services and to provide an accounting of all state vehicles for the Department of Agriculture (MDA) vehicle pool in the conduct of official state business per Minnesota state statutes and Department of Finance and Administration policies and procedures.

This policy applies to the Department of Agriculture, and covers vehicles operated and owned/leased/rented by the Department of Agriculture.

Enforcement of this policy is the responsibility of the Department of Agriculture. Each organizational unit within the department is responsible for policy enforcement. It is the responsibility of each unit to make employees aware of this policy, give employees guidance concerning this policy, and take appropriate corrective action should it be necessary.

This policy is not meant to supercede laws, rules, or regulations imposed by federal, state, or local government. Admin Policy 99.1 remains in effect, and can be found at: http://www.fss.state.mn.us/FleetPolicy/Admin99-1.pdf

Statement:

All Department employees will operate vehicles in an ethical manner. The Department will avoid any use of vehicles that may give the appearance of being unethical. Employees should consult their immediate supervisor concerning any questions in this area.

Ethical misconduct will not be tolerated in the Department of Agriculture. Suspected or alleged ethical misconduct will be investigated by each division with the assistance of the Human Resources Director. Ethical misconduct will result in appropriate disciplinary action, up to and including discharge.

Important links concerning State employee ethics:

http://www.revisor.leg.state.mn.us/stats/43A/38.html

Code of Ethics for Employees in the Executive Branch - Minnesota Statute

It is an objective of the Department to operate all vehicles safely and according to applicable laws, rules, and regulations. Fines and/or penalties resulting from improper use of a vehicle are the sole responsibility of the vehicle operator.

Drivers must operate state vehicles in a safe and courteous manner at all times.

Monitoring vehicle utilization is a key component in cost effective fleet management. Each Division within the Department of Agriculture will monitor vehicle usage on an ongoing basis to ensure vehicles are being utilized in a cost effective manner consistent with expectations established at the time of vehicle acquisition/assignment.

Each division will be responsible for determining the need for a short-term, daily, long-term and seasonal vehicle rental. Division directors are responsible for ensuring that personnel using state vehicles from the Department of Agriculture and Travel Management Division are informed about the agency Short-Term and Daily Vehicle Use and Long-Term and Seasonal Vehicle Use Policy and Procedure and that they adhere to it.

Authorized Drivers

Authorized drivers are state employees; contract employees if authorization to drive a state vehicle is specifically cited in their contract; interns who have been granted permission by MDA; and drivers for certain disabled employees with the permission of that employee and the approval of his/her supervisor. All drivers must have, in their possession, a current and valid driver's license.

Only authorized persons are permitted to ride in state-owned vehicles. Authorized persons include state employees, other persons participating in state programs or functions, or individuals assisting disabled employees with prior approval as described in the paragraph above. Family members are not allowed in state vehicles. Unauthorized personal use of a state vehicle may be grounds for disciplinary actions.

All authorized drivers must present a valid driver's license at the time the vehicle is picked up. The authorized driver must return the vehicle to the Finance and Budget Division, Central Services Section or Department of Administration, Travel Management Division (TMD) facilities in the same condition in which the vehicle was received except for ordinary wear and use. The vehicle must be returned on the due date and time or earlier.

All vehicles are smoke-free.

The vehicle shall not be used for any of the following prohibited uses:

- operation by an unauthorized driver;
- operation by any driver under the influence of intoxicants, drugs or any other substance known to impair driving ability;

- for any illegal purpose;
- operated in any abusive or reckless manner or if convicted of careless driving;
- carrying or transporting firearms, intoxicants, drugs or any other controlled substances;
- carrying persons or property for hire;
- towing or pushing anything unless authorized in writing by TMD; operated in any race, test or contest:
- operated off-road unless equipped for such use and authorized in writing by TMD.

If, for any reason, an employee who uses a state vehicle does not have a valid driver's license, they must immediately report that information to the Central Services Section. Failure to do so may result in disciplinary action.

If the vehicle is used for any prohibited use or in violation of any statute, the employee may be subject to disciplinary actions.

Driver Reassignment, Location, Division or Purchase Order Changes:

- 1. Division must notify Central Services in writing by completing a Vehicle Assignment form (Sections A, B, and C) prior to driver reassignment, location, division, or purchase order change.
- 2. Before a new driver can begin using the vehicle, Central Services must verify that the employee has a valid driver's license. Central Services will record driver and vehicle information on the Vehicle Use Log and file in the appropriate vehicle file.

Physical Damage / Accidents

It is an objective of the department to operate vehicles that present a positive reflection of the department to the public.

It is also an objective of the department to promote safe work practices. Physical damage to a vehicle often results from unsafe work practices. Incidents involving physical damage to vehicles are to be reported to the Finance & Budget, Central Services for potential further investigation.

Physical damage exceeding \$500 will be reported to the Finance & Budget, Central Services. The Central Services Section will assist the division owning/operating the vehicle with necessary reporting, repair, and/or subrogation procedures.

Important links for Risk Management Information:

http://www.mainserver.state.mn.us/risk/index.html

Admin, State and Community Services, Risk Management Division

In the event of an accident or any damage to a state owned vehicle, the driver must:

B. Call police and obtain emergency medical care for any injured people.

- C. Secure the following information:
 - 1. Names and addresses of all vehicle occupants and any injured people.
 - 2. Location where injured are taken.
 - 3. Name and address of vehicle owner and driver.
 - 4. Vehicle license number and description including make, model, color, etc.
 - 5. Names and addresses of all witnesses.
 - 6. Name of policy agency and accident report number.
- D. Do not admit liability or make any statements concerning the accident except to police or Travel Management personnel.

State Liability / Claims

It is the intent of the Department of Agriculture to operate vehicles safely. Employee and public safety are very important to the Department. Safe vehicle operation is the primary preventive measure that can be used to help avoid incurring liability related vehicle expenses.

Vehicle operation involves a significant amount of potential liability. Vehicles will be insured for liability utilizing the program provided through the Department of Administration, Risk Management Division. The Risk Management Division will assist divisions in handling vehicular-related liability expenses.

Important links for Risk Management Information:

http://www.mainserver.state.mn.us/risk/index.html

Admin, State and Community Services, Risk Management Division

Claims

- A. Report any accident, damage or theft to TMD at 651/296-2163 (refer to information in the travel packet) and Central Services Section immediately or on the first business day following the accident. If the vehicle is not drivable, indicate where the vehicle has been towed.
- B. Complete the Motor Vehicle Accident Report, supplied in the vehicle packet, filling in all the information on both sides of the form. Obtain a MDA Incident Report from Central Services Section, complete and return to Central Services.
- C. Send the Vehicle Accident report, signed by the driver, to the TMD office along with a photocopy to the Finance and Budget Division, Central Services Section. Department management will be notified of accidents involving their employees.

Theft

Drivers are required to immediately report the theft of a vehicle to local law enforcement, TMD and Central Services Section.

Insurance

The State of Minnesota is self-insured and is assigned the self-insured identification number A-1046 by the Department of Commerce, Insurance Division. This number should be referred to as evidence of insurance for accident reporting purposes.

An insurance information card is included in the travel packet. In case of an accident involving serious injury or death contact TMD. If TMD cannot be reached, contact the General Adjustment Bureau (GAB) office at the phone number on the ID card located in the travel packet. The Central Services Section must also be notified.

The state provides personal and property damage liability coverage and comprehensive or collision coverage with a \$500 deductible. In cases where vehicle damage results from the driver operating a vehicle in violation of motor vehicle laws, in an illegal, abusive or unsafe manner, the driver's agency may be charged for the cost of all damages to the vehicle.

Safety

It is an objective of the Department to operate vehicles safely. Vehicles will be operated in accordance with all traffic laws, rules, and regulations. Vehicles will not be operated in a fashion that may endanger any person or property.

Important links for safe vehicle operation:

<u>http://www.dps.state.mn.us/dvs/DLTraining/DLManual/DLManual.htm</u>
Minnesota Drivers License Manual - DPS

Suitability for Work Use

Vehicles will be used in a manner that is consistent with the intended use of the vehicle. Vehicles will be operated in accordance with the manufacturer ratings and guidelines including load capacity and trailer pulling capacity. Employee and public safety are to primary considerations when determining vehicle operational practices.

Maintenance / Mechanical Repair

It is an objective of the Department that all vehicles be maintained in safe operating condition. Employee and public safety are prime considerations in making vehicle maintenance and repair decisions

Vehicle operators will bring vehicular defects to the attention of their immediate supervisor. Safety related defects will be corrected prior to use of the vehicle.

Divisions experiencing ongoing vehicle repair issues, or complex vehicle repair problems may contact the Travel Management Division for assistance in resolving these issues.

Compliance with State and Federal Requirements

The department will operate vehicles in accordance with laws, rules, and regulations set forth by the local, state, and federal government.

Special consideration will be given to the operation of commercial vehicles. Commercial vehicle laws, rules, and regulations will be followed. Employees should consult their immediate supervisor or the Finance & Budget Division, Central Services concerning licensing and/or operational questions regarding commercial vehicles.

Minnesota Statutes, Chapter 16B.55, prohibits the personal use of a state vehicle for other than authorized state business or specified, authorized commuting. This means that any other use of a state vehicle for personal benefit is strictly prohibited.

By statute, use of a state vehicle for commuting to and from an employee's residence is also prohibited except under very limited circumstances. A state vehicle may be used by a state employee to travel to and from the employee's residence under the following circumstances:

- On a day when it may become necessary for the employee to respond to a work-related emergency during hours when the employee is not normally working.
- If the employee has been assigned the use of a state vehicle for authorized state business on an extended basis, and the employee's primary place of work is not the state work station to which the employee is permanently assigned.
- If the employee has been assigned the use of a state vehicle for authorized state business away from the work station to which the employee is permanently assigned, and the number of miles traveled or the time needed to conduct the business will be minimized if the employee uses a state vehicle to travel to the employee's residence before or after traveling to the place of state business

Personal use of a state-provided vehicle includes commuting and local and out-of-town personal travel. The value of the personal use of a state-provided vehicle under one of the specifically permitted situations must therefore be reported on the Employee's Biweekly Time Report and included as wages as reported on the employee's W-2, Wage and Tax Statement form.

Unauthorized personal use of a state vehicle may be grounds for disciplinary action.

It is an objective of the Department of Administration to operate all vehicles safely and according to the applicable laws, rules, and regulations. Fines and/or penalties resulting from improper use of a vehicle are the sole responsibility of the vehicle operator.

Important links concerning vehicle operation:

http://www.revisor.leg.state.mn.us/stats/16B/55.html

Use of State Vehicles – Minnesota Statute

http://www.sema4.state.mn.us/htmldoc/eng/webhelp/PAY0019/Reporting Personal Use of E
mployer Provided Vehicles for Tax Purposes Operating Policy and Procedure.htm

Personal Use of State Vehicles – Department of Finance

http://www.dps.state.mn.us/dvs/DLTraining/DLManual/DLManual.htm

Minnesota Driver License Manual – Department of Public Safety

http://www.dps.state.mn.us/patrol/comveh/index.htm

Minnesota State Patrol – Commercial Vehicle Enforcement – Department of Public Safety http://www.dot.state.mn.us/motorcarrier/commercial/cvo.html

Office of Motor Carrier Services –Department of Transportation

Traffic Laws

A driver of a state vehicle is required to observe and obey all traffic laws regarding the operation of a motor vehicle including speed limits.

Drivers of state vehicles are responsible for all fines and penalties imposed for parking or traffic violations with respect to the state vehicle while the state vehicle is in their possession.

Fuel / Fuel Card Gas Card

Vehicles are to be operated on the type and grade of fuel recommended by the manufacturer. E85 will be used in flex fuel vehicles when it is reasonable available and the price is comparable to gasoline.

A gas card and a list of gas stations and fuel types will be supplied in the travel packet. The gas card can only be used for fuel, windshield washer fluid and no more than one (1) quart of oil. All gas card receipts MUST be attached to the Daily Travel log. Any other purchases/repairs must be approved by TMD.

Important Links for Fuel Purchasing:

http://www.revisor.leg.state.mn.us/stats/16C/135.html

Purchase of fuel and vehicles by state agencies - Statute

Daily Travel Log Information

For long-term and seasonal rental, a Daily Travel log shall be completed from the 26th of the month through the 25th of the following month. The Daily Travel log will be submitted to the Finance and Budget Division, Central Services Section on a monthly basis by the 27th of the month.

Resources:

Minnesota Statute 16B.55

Department of Finance and Administration, Operating Policy and Procedure 0770-00 & 0770-01 Department of Administration – Travel Management Division – http://www.admin.state.mn.us/tmd/referenc/rules.html

Forms:

Department of Agriculture – Vehicle Assignment Form

Department of Administration - Daily Travel Log
Department of Administration - Motor Vehicle Accident Report
Department of Administration - Vehicle Inspection Report
Department of Agriculture - Incident Report
Department of Administration - Vehicle Rental Form

Short-Term and Daily Vehicle Procedures (MDA Mini Pool and Enterprise Rent-A-Car):

The Minnesota Department of Agriculture has vehicles available in their mini pool for employee use, however, if no MDA mini pool vehicle is available, the state contract for Short Term Vehicle Rental will used. This contract is identified as V-29. All terms and conditions of the contract must be reviewed before renting a vehicle. Divisions are requested to make short-term and daily vehicle reservations as far in advance as possible.

MDA Mini Pool Vehicle:

Travel packet and keys may be picked up during normal working hours between 7:00 a.m. and 4:30 p.m. Vehicles will be parked in the secured fenced area east of the building. Entrance to the secured area will be gained by using your building access card.

If an employee needs a state vehicle for weekend use or before 7:00 a.m., they may request to pick-up a vehicle the day before. If employee is using a state vehicle overnight, the employee may park their personal vehicle in the secured fenced area. If an employee is unable to return the vehicle during normal working hours, and do not have access to the building, they may return the vehicle the next working day. If an employee is unable to return the vehicle during normal working hours, and has access to the building, the travel packet will be placed in the container located on the wall outside of the Central Services Section and keys will be placed in the mail slot on the door to the Central Services Section (both are located next to each other on the east side of the building).

- 1. Division must request a vehicle from the Central Services Section by phone, e-mail or memo. The request must include the time and date vehicle is needed, duration of vehicle use, vehicle size, estimated mileage, division, department and employee name, location, purchase order number, and any special equipment.
- 2. Central Services will record vehicle request information in the Reservation log. Prior to releasing a vehicle to an employee, Central Services must verify that the employee has a valid driver's license. If no verification is provided, the vehicle will NOT be released. Central Services section will complete a Vehicle Inspection Report noting current condition of the vehicle and supply the employee with a travel packet and Daily Travel log.
- 3. Employee will record beginning odometer reading on the Daily Travel log.
- 4. Employee will return the vehicle to the secured fenced area east of the building, record ending mileage on the Daily Travel log and turn in Daily Travel log and keys to the Central Services Division. All gas card receipts MUST be turned in to Central Services Section with the travel packet. Employee will also dispose of all trash left in the vehicle and return the car with not less than half a tank of gas.
- 5. Central Services Section will complete the Vehicle Inspection Report noting the current condition of the vehicle. Employee will sign the Vehicle Inspection Report acknowledging condition of the vehicle. All damage discovered by Central Services Section will be the responsibility of the division using the vehicle.

Long-Term and Seasonal Vehicle Procedures:

All new, replacement, long-term and seasonal vehicle rentals, vehicle driver changes, location or division changes, and purchase order changes must go through the Central Services Section.

Long-Term or Seasonal Rental:

- 1. Division must complete Request Information (Section A) of Vehicle Assignment form when requesting a new long-term vehicle rental or seasonal rental. Division will create a blanket purchase order within MAPS and include that information on the Vehicle Assignment form. The Vehicle Assignment forms are available from the Finance and Budget Division, Central Services Section or the Uddernet. The division will forward the Vehicle Assignment form to the Central Services Section.
- 2. When a new vehicle or seasonal rental is needed, Central Services Section will send a memo to TMD which includes the following information: date vehicle is needed, vehicle size, estimated mileage, division and department name, location, purchase order number, special equipment, and whether vehicle is a long-term rental or seasonal rental. Central Services will record vehicle request information in the Vehicle Use log and create a vehicle file for each vehicle request.
- 3. TMD will notify the Central Services Section when a vehicle becomes available.
- 4. Central Services Section will notify division when vehicle is available and will coordinate with division for vehicle pick up from TMD. Central Services must verify that anyone picking up a TMD vehicle has a valid driver's license. (If a TMD vehicle is brought back to MDA and not immediately assigned to an employee, Central Services will retain vehicle keys until such time an employee is assigned a vehicle and the employee can provide valid driver's license information.) Central Services will supply the employee with a copy of their Vehicle Assignment form. Central Services will record employee information on the Vehicle Use log and Vehicle Assignment form (Section C).
- 5. The employee picking up the vehicle will immediately begin a Daily Travel log indicating the beginning odometer reading before leaving the TMD parking lot and will record the unit number, year, license number, color, make, model, delivery date, and beginning mileage on their Vehicle Assignment form (Section B). The employee will return their Vehicle Assignment form to Central Services Section within one (1) working day.
- 6. Central Services will record the unit number, year, license number, color, make, model, delivery date, and beginning mileage on the Vehicle Use log. Central Services will forward a copy of the Vehicle Assignment form to TMD and place copy in the vehicle file and one copy to the division.
- 7. The employee will return the vehicle and final Daily Travel log to TMD. The employee will furnish a copy of the final Daily Travel log to the Central Services Section within one (1) working day. All gas card receipts MUST be included with the travel packet and turned into TMD. Employee will also dispose of all trash left in the vehicle and return the car with not less than half a tank of gas.
- 8. Central Services will record the ending odometer readings on the Vehicle Use log and complete the return date and ending mileage on the corresponding Vehicle Assignment form (Section D).

Replacement of Long-Term Rental:

- 1. TMD will notify Central Services of vehicle replacement schedule.
- 2. Central Services will notify division when vehicle is to be replaced.
- 3. Division will complete Section A of the Vehicle Assignment form.
- 4. Central Services Section will coordinate with division for replacement vehicle pick up from TMD. Central Services must verify that anyone picking up a TMD vehicle has a valid driver's license. Central Services will supply the employee with a copy of the Vehicle Assignment form.
- 5. The employee will return the vehicle to be replaced and the final Daily Travel log to TMD. The employee will furnish a copy of the final Daily Travel log for the vehicle being replaced to the Central Services Section within one (1) working day. All gas card receipts MUST be included with the travel packet and turned into TMD. Employee will also dispose of all trash left in the vehicle and return the car with not less than half a tank of gas. When the employee receives replacement vehicle, s/he will immediately begin a Daily Travel log indicating the beginning odometer reading before leaving the TMD parking lot and will record the unit number, year, license number, color, make, model, delivery date, and beginning mileage on their copy of the Vehicle Assignment form (Section B). The employee must return the completed copy of their Vehicle Assignment form to the Central Services Section within one (1) working day.
- 6. Central Services will record the replacement unit number, year, license number, color, make, model, delivery date, and beginning mileage on the Vehicle Use log. Central Services will forward a copy of the Vehicle Assignment form to TMD and place a copy in the corresponding vehicle file and one copy to the division.

Acquisition of Vehicles

Vehicle Acquisitions

The Department recognizes the significant initial cost associated with vehicle acquisitions, and the commitment to ongoing costs that a vehicle purchase represents. To manage this expense effectively all vehicle acquisitions must be examined carefully.

Vehicle assignments will not be made on the basis of status, tradition, or as a condition of employment. Instead, vehicles are to be assigned on the basis of need, as measured by the number of business miles driven or other qualifying use.

Additions to the Fleet

The Division Director will submitted to his/her Assistant Commissioner a written justification for the vehicle acquisition, including anticipated costs. This justification will include alternative methods of transportation that have been considered and cost justification for the acquisition and ongoing expenses. The Assistant Commissioner in charge of the division will approve/disapprove additions to the fleet.

Replacements for Existing Vehicles

When a vehicle is replaced the vehicle type and use will be reviewed to ensure the department is selecting an appropriate vehicle, and utilization has been, and will continue to be, cost effective. Upgrading, significantly changing vehicle type or option level requires written justification. The division Director in charge of the budget area will approve vehicle replacements. The Assistant Commissioner for the division has final approval/disapproval for the request to replace existing vehicles.

Casualty Vehicle Replacements

All casualty replacements will be examined. Vehicle replacements involve significant expense.

Casualty replacements due to mechanical failure will be examined for cause and possible vehicle, vehicle life cycle, or operational changes that may be necessary to avoid future casualty replacements.

Casualty replacements due to physical damage will be examined carefully as potential exists for liability expenses as well as workers compensation expenses. All casualty replacements will be reported to the Finance & Budget Division, Central Services for possible further investigation.

All casualty replacements will be approved by the Assistant Commissioner in charge of the budget area.

Vehicle Type Selection

Selection of an appropriate vehicle type is an essential part of cost effective fleet management. It is an objective of the department to supply vehicles for employee use that are well suited to performing the work to be accomplished. Employee safety will be taken into account when acquiring vehicles. Manufacturer ratings, including load carrying capacity and trailer pulling capacity, will be followed when developing vehicle specifications for acquiring vehicles. All applicable state and federal laws, rules, and regulations will be followed concerning vehicle type selection. Fuel economy and vehicle emissions will be taken into account when acquiring vehicles.

Important links to reference when acquiring vehicles:

http://www.revisor.leg.state.mn.us/stats/16C/135.html

Purchases of fuel and vehicles by state agencies - Statute

http://www.afdc.nrel.gov/fleet.shtml

Alternative Fuel Data Center – Fleet Information

http://www.ott.doe.gov/epact/

EPAct Fleet Information and Regulations - U.S. Department of Energy

The Travel Mangement Division can help answer questions related to State of Minnesota and/or U.S. EPAct requirements regarding vehicle acquisition.

Vehicle Life Cycle Selection

Establishing an appropriate life cycle is an essential part of cost-effective fleet management. The department recognizes the importance of establishing a life cycle for each vehicle at the time of acquisition.

A life cycle will be established at the time of vehicle acquisition. This life cycle will include parameters for vehicle age as well as vehicle usage. This life cycle will take into account vehicle type as well as the work environment in which the vehicle will be used. This life cycle will be used in planning of vehicle replacement as well as monitoring vehicle usage during the life of the vehicle.

Financing Considerations

It is an objective of the department to make cost effective financial decisions when acquiring new vehicles. Financial options including vehicle rental, vehicle leasing, and vehicle ownership will be examined when acquiring vehicles. Divisions planning vehicle acquisitions must contact Finance & Budget Division before the vehicle is ordered to ensure that appropriate consideration is given to all of the available financial options.

Acquisition Process

All vehicles will be acquired in accordance with Minnesota state law. All purchasing laws, rules, and regulations will be followed. Admin, Materials Management Division can help answer questions concerning purchasing requirements.

Important Links to reference when acquiring vehicles:

http://www.mmd.admin.state.mn.us/mn06000.htm Admin, Materials Management Division

Vehicle Markings

Vehicles owned or leased by the Department will be clearly marked as State of Minnesota vehicles unless specifically exempted from marking requirements by State law. All vehicle licenses will be identified as Minnesota State Vehicle license plates unless specifically exempted by State law.

Important links concerning vehicle markings:

http://www.revisor.leg.state.mn.us/stats/16B/54.html
Central Motor Pool Establishment
http://www.revisor.leg.state.mn.us/stats/16B/581.html

Distinctive Tax Exempt License Plates

http://www.revisor.leg.state.mn.us/stats/16B/581.html

Vehicles exempt from tax or license fees

Replacement / Disposal of Vehicles

Vehicles reaching the end of their life cycle will be reviewed for condition. Vehicles with useful life remaining will be made available for seasonal and/or temporary use when appropriate.

It is the intent of the Department to follow the laws, rules, and regulations concerning disposal of State property when retiring vehicles from service. This may include making surplus vehicles available for use by other agencies or governmental units.

Important Links for Vehicle Disposal:

<u>http://www.mmd.admin.state.mn.us/mn03000.htm</u>
Admin, Material Management Division, Surplus Services